SENATE BILL REPORT SB 6136

As of March 2, 2007

Title: An act relating to the state wildlife account.

Brief Description: Regarding the state wildlife account.

Sponsors: Senators Pridemore and Jacobsen.

Brief History:

Committee Activity: Ways & Means: 3/01/07.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Kirstan Arestad (786-7708)

Background: State Wildlife Account: The Department of Fish and Wildlife (DFW) is funded from several sources including the State Wildlife Account (SWA). The SWA is an appropriated account comprised of numerous sub accounts. Approximately 15 percent of the SWA is used for specified dedicated purposes (e.g., turkey and pheasant hunting, sampling, monitoring, and management of Dungeness crab recreational fisheries, etc.). The remaining 85 percent is used for game management and research, sport fish management and research, hatcheries, wildlife areas, and more.

The SWA is primarily funded by hunting, fishing and other recreational licenses, permits, stamps, or validations. Under current law, these license and permit fees are set in statute. SWA license and permit fee revenues include:

- 1) turkey tag;
- 2) western Washington pheasant permit/stamp;
- 3) migratory bird validation;
- 4) special hunting season permit;
- 5) annual fish and wildlife lands vehicle use permit;
- 6) catch record card;
- 7) Dungeness crab endorsement license;
- 8) personal use saltwater, combination, or shellfish and seaweed license;
- 9) short term charter stamp;
- 10) big game hunting licenses–numerous combinations:
- 11) small game hunting license–various combinations;
- 12) taxidermy license;
- 13) fur dealer's license;
- 14) fish guide license;

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- 15) game farm license;
- 16) game fish stocking permit;
- 17) fishing on field trial permit;
- 18) fishing contest permit; and
- 19) anadromous game fish buyer's license.

The SWA has experienced shortfalls in the amount of \$17 million in 1998; \$3.2 million in 2005; and \$4.5 million projected in 2007. Account shortfalls have been addressed through program reductions and temporary loans.

<u>Hydraulic Project Approval Permit:</u> A hydraulic project approval (HPA) permit is required for any project or work that will use, divert, obstruct, or change the natural flow or bed of any of the salt or fresh waters of the state before beginning the construction work. The permits are issued by the DFW, but the agency does not charge a fee to process or issue a hydraulic permit. The HPA permit program is primarily supported with General Fund dollars; about a quarter of the program is supported with SWA funds. Inspection and monitoring of hydraulic projects are not being performed due to a lack of funding.

Summary of Bill: It is the policy of the state that the SWA be self supporting and that the license and permit fee revenues to the SWA must be self sufficient to fund the cost of the DFW's programs that support those activities.

The Fish and Wildlife Commission is authorized to periodically adjust license and permit fees to ensure that the SWA revenues are sufficient to fund these activities. However, license and permit fees may not be increased by more than 10 percent in any calendar year without the prior approval of the Legislature.

By July 1, 2009, the DFW is also directed to develop and implement a fee schedule for hydraulic project permits that is sufficient to fund the entire cost of the HPA permitting program, including monitoring and inspection activities.

Appropriation: None.

Fiscal Note: Requested on February 27, 2007.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The Fish and Wildlife Commission supports the bill. As you know, the cost of doing business increases annually due to inflation and the department's license fee structure has not kept pace. SB 6136 would permit the Commission to adjust license fees as necessary to keep up with inflation. The last adjustment made to license fees was in 2002. Also, the last work done on the development of a fee for the currently free Hydraulics Project Approval permits was in 2002. A proposed HPA fee structure was considered by a citizens' HPA Task force, which would become the foundation of discussions with our HPA customers.

CON: This measure takes away our opportunity to provide input. The current problem with the State Wildlife Account is in some way the direct result of what has transpired in the last two biennia, which has been to cost shift to this account. Sixty million dollars a biennium is

what we're already putting into this account. We also have concerns with the underlying concept of giving up control of fee increases that can be increased up to 10 percent a year. The only component of the bill we support is the HPA fee issue. This committee should also look to non-consumptive users to help pay for some of the costs. The regulated community is very interested in making this account healthy.

Persons Testifying: PRO: Jeff Koenings, Director, Department of Fish and Wildlife.

CON: Ed Owens, Hunters Heritage Council, Citizens for Responsible Wildlife Management, Coalition of Coastal Fisheries.

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